

## **ATTACHMENT THREE: THDA EQUIVALENT MORTGAGE RATES**

Development of single family housing under the HOME program can be extended to buyers securing a THDA or equivalent mortgage to purchase their homes. The following mortgages are considered equivalent to the THDA mortgage and may be used in conjunction with HOME funds.

### **30 YEARS - FULLY AMORTIZED**

<b>MORTGAGE INSURANCE</b>	<b>1% ORIGINATION FEE</b>	<b>EQUIVALENT MORTGAGE RATE</b>
YES	YES	Same as THDA Rate
NO	YES	THDA rate + .625%
YES	NO	THDA rate + .125%
NO	NO	THDA rate + .75%

THDA encourages the use of these comparable rates whenever possible. In addition, if the lender is not charging other usual charges that would have resulted in a charge of 1% or more of the loan amount, then the interest rate can be raised an additional .125%.